

MH DD Workgroup System Reform Options for Submission to Legislative Task Force (As of 11/4/09)

I. System Transformation Values and Principles.

On September 23, 2009, the Workgroup accepted the following system values and principles outlined in the strategic plan undertaken by the Department of Human Services (DHS):

A. Public awareness and support for inclusion:

1. Foster welcoming communities that recognize and respect the potential of all Iowans, and are receptive to their participation in and contributions to society.
2. Ensure that the public is well informed about mental health and disability, and ready to take responsibility for prevention and early intervention.

B. Access to services and supports: Promote policies and practices that facilitate timely access to appropriate services and supports.

C. Empowerment: Emphasize the ability of people to do the following:

1. Make informed choices about their personal goals, about the activities that will make their lives meaningful, and about the amounts and types of services to be received.
2. Understand the consequences and accept responsibility for those choices.

D. Collaboration and partnership in building community capacity:

Align State and local policies and programs to support the legislative vision of resiliency and recovery for Iowans with mental illness, and the ability of Iowans with disabilities to live, learn, work, and recreate in communities of their choice.

E. Quality: Improve quality by measuring results and fund services that achieve results.

F. Individualized and person-centered: Provide a comprehensive, integrated and consistent array of supports and services that are individualized and flexible.

G. Consumer and family driven: Persons and their families are active participants in developing policies and in evaluating effectiveness of providers, supports and services.

H. Provider accountability: Ensure high quality mental health and disability supports and services by focusing on client goals and outcomes.

I. Government responsibility and accountability: Adequately fund and manage supports and services that promote the ability of Iowans to live, learn, work and recreate in communities of their choice.

II. Funding Distribution Formula Options

A. During the period that federal stimulus funding is provided to counties through an enhanced Medicaid match rate, disregard the federal stimulus amount to be received by each county. (Accepted by Workgroup on 10/7 - See appendix 1 for list of lower priority options considered by the Workgroup)

B. These funding formula-related options have not been formally acted upon by the Workgroup:

1. Average the ending balances from the two latest known fiscal years instead of the current one fiscal year. (offered on 11/4)
2. Allow counties the option of returning all or a portion of allowed growth funding that would otherwise cause the county to carry an excess ending balance. The funding would have to be returned before the end of the fiscal year and would be credited to the risk pool for distribution in the succeeding fiscal year. (offered on 11/4)
3. Allow unused FY 2009-2010 risk pool funding to be used to reduce waiting lists for State Payment Program Services. (offered on 11/4)

III. Near-term System Change Options (for enactment during the 2010 Legislative Session)

A. Highest Priorities. On October 7, 2009, the workgroup identified the following items as having the highest priority for further development:

1. Shifting from a county dollar cap on MH DD services levies to a rate cap
2. Working on state investments in community capacity building
3. Developing the case rate approach for funding distribution and other measures for distributing funding based upon persons' county of residence rather than legal settlement.

B. Other options. The workgroup heard presentations or received information on the following options but has not addressed the relative priority of the options:

1. Have the courts assume the costs of mental health commitments instead of counties. (offered August 26)
2. Have the State pay for all institutional costs with no county match. (offered August 26)
3. Stop requiring so much paperwork for Medicaid funded programs. (offered August 26)
4. Increase client participation in financing for higher income brackets and count parental income until the client is over age 25. (offered August 26)
5. Increase taxes or place a surtax on alcoholic beverage or non-diet soda and commit revenue to mental health and substance abuse treatment.
6. Regionalize certain community-based services to improve the system and avoid the use of more expensive services. (offered on October 21)
7. Develop and implement a statewide management plan for MH DD adult services based on functional assessments and distribute funding through caseload-based budgets administered by the counties or county regions. (offered on October 21)
8. Shift and revise current non-MH DD funding streams for purposes of restoring or enhancing MH DD services. Options offered include eliminating certain tax credits, reducing state employee salaries by 5 percent rather than laying off employees, requiring school districts to spend down fund balances, and using the roads budgets to pay for people services rather than roads. (offered on August 26 and October 21)

9. Address the disparity between the reimbursement rates paid for private intermediate care facility for persons with mental retardation (ICFMR) level of care versus the state resource center ICFMRs. (offered on November 4)
10. Citizens' Aide/Ombudsman general suggestions (offered on November 4):
 - a. Mandate communication and collaboration for all parties involved with the civil commitment process.
 - b. Either establish a pilot process or mandate use of community mental health centers to pre-evaluate persons with mental illness prior to a court ordered commitment.
 - c. Use the MHIs for providing sub-acute care for those patients who no longer meet the criteria for commitment but are not appropriate for release.
 - d. Mandate notification of law enforcement by provider prior to a patient's discharge if the patient was delivered to the provider by law enforcement for mental health-related concerns.
11. Citizens' Aide Ombudsman suggestions regarding MH courts and jail diversion programs (offered on November 4) :
 - a. Implement MH court and jail diversion pilot projects using federal grants. Use the MH/MR/DD/BI Commission to administer.
 - b. Members of the General Assembly should study the Council of State Governments' guide entitled, "Mental Health Courts: A Guide to Research-Informed Policy and Practice."
 - c. The Legislature should study Code Chapter 230A (Community Mental Health Centers (CMHCs)) and consider the CHMC role in providing MH services to persons in jails.
12. Implement measures to increase the supply of qualified psychiatrists, ARNP specialists, and other types of service providers where there are shortages. (offered on November 4)
13. Does the Workgroup wish to proceed further with the BI Association proposal for reducing the waiting list for the BI waiver from savings realized from avoiding institutional care? (DHS analysis discussed on November 4)
14. Mental health parity laws should be amended to address insurance practices restricting mental health treatments to address behaviors resulting from traumatic brain injuries. (Suggested from audience on November 4)

C. Lower Priority Options. The following options were discussed on October 7, 2009, and determined by the Workgroup to have a lower priority:

1. Regularly evaluate service arrays and address in funding formulas.
2. Combine mental health, substance abuse, and suicide prevention programs.
3. Switch to a Medicaid-type of service arrangement with state-identified mandatory and optional services

IV. Pilot Projects

A. Current Pilot Projects discussed by the Workgroup

1. The County Social Services project involving Black Hawk, Butler, Cerro Gordo, Floyd, and Mitchell counties was authorized by statute.¹ Among other authority, for purposes of allowed growth and community services funding, the participating counties were allowed to combine and average levy amounts and maintain the relative percentage of the funding, provided the minimum levy amounts were maintained. The pilot project's initial term ends June 30, 2010.

B. Potential Incentives and Funding Sources for Other Pilot Projects [this list was developed by the legislative staff group following the November 4 meeting]

1. Hold Harmless. If a pilot project realizes savings, exempt the amount saved for use in expanding or investment in other services.
2. Set Aside. Set aside a certain amount of allowed growth funding that may be used for award for any of the policy options or pilot projects.
3. Federal and State Funding. Ask the Mental Health Planning Council, DHS, Magellan, and other bodies with some discretion over federal or state grant funding to invest such funding in the options or pilot projects identified.
4. Special Authority. Authorize counties to have limited use of transfer or supplemental levy authority to provide start-up investment of moneys in services that would realize cost savings by avoiding usage of higher cost services.

V. Data and Information

The following data and information items are posted on the webpage for the Workgroup: [insert list when report is developed]

¹ 2008 Iowa Acts, chapter 1187, section 59, subsection 9, amending 2007 Iowa Acts, chapter 215, section 1.